

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

ARMSTRONG FLOORING, INC., *et al.*,  
  
Debtors.<sup>1</sup>

Chapter 7

Case No. 22-10426 (MFW)

(Jointly Administered)

**Hearing Date: June 21, 2023 at 2:00 p.m. (ET)**

**Objection Deadline: June 7, 2023 at 4:00 p.m. (ET)**

**STATEMENT OF FEES FOR PROFESSIONAL SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES INCURRED BY ASK LLP AS  
SPECIAL COUNSEL TO ANALYZE AND LITIGATE PREFERENCE CLAIMS**

Name of Applicant:

ASK LLP

Authorized to Provide Professional Services to:

Counsel for the Debtors and Debtors in  
Possession

Date of Retention:

November 1, 2022

Final Period for which compensation and reimbursement  
is sought:

November 1, 2022 to April 17, 2023

Amount of final compensation sought as actual,  
reasonable and necessary:

\$178,059.46

Amount of final expense reimbursement as actual,  
reasonable, and necessary:

\$48,529.46

This is a ☐ Interim ☒ Final Application

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of their respective tax identification numbers, are as follows: Armstrong Flooring, Inc. (3305); AFI Licensing LLC (3265); Armstrong Flooring Latin America, Inc. (2943); and Armstrong Flooring Canada Ltd. (N/A). The address of the Debtors' corporate headquarters is c/o Riveron Management Services, LLC, 265 Franklin Street, Suite 1004, Boston, MA 02110.

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**FINAL APPLICATION OF ASK LLP FOR ALLOWANCE  
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR  
THE PERIOD OF NOVEMBER 1, 2022 THROUGH APRIL 17, 2023  
AS SPECIAL CONTINGENCY-FEE COUNSEL TO ANALYZE AND LITIGATE  
PREFERENCE CLAIMS**

Pursuant to Sections 330 and 331 of Title 11 of the United States Code (the “Bankruptcy Code” or “Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Local Rule 2016-2, ASK LLP (“ASK”) files this Final Application for Allowance of Compensation and Reimbursement of Expenses for the period of November 1, 2022 through April 17, 2023 as Special Contingency-Fee Counsel (the “Final Application”). By this Final Application, ASK seeks allowance of final approval of all fees in the amount of \$178,059.46 and final expenses in the amount of \$48,529.46 for a total amount of \$226,588.92 for the period of November 1, 2022 through April 17, 2023 (the “Final Fee Period”). In support of this Final Application, ASK respectfully represents as follows:

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of their respective tax identification numbers, are as follows: Armstrong Flooring, Inc. (3305); AFI Licensing LLC (3265); Armstrong Flooring Latin America, Inc. (2943); and Armstrong Flooring Canada Ltd. (N/A). The address of the Debtors’ corporate headquarters is c/o Riveron Management Services, LLC, 265 Franklin Street, Suite 1004, Boston, MA 02110.

### **Background**

1. On May 8, 2022 (the “Petition Date”), each of the Debtors commenced a voluntary case under chapter 11 of the Bankruptcy Code.

2. On May 11, 2022, the Court entered an order authorizing the joint administration of the chapter 11 cases for procedural purposes pursuant to Bankruptcy Rule 1015(b) [D.I. 88].<sup>2</sup>

3. On May 18, 2022, the United States Trustee for the District of Delaware appointed the Official Committee of Unsecured Creditors. [D.I. 175].

4. On June 8, 2022, the Court entered an order authorizing the Debtors to employ and retain Riveron Management Services, LLC (“RMS”) to provide interim management services to the Debtors, and to designate Dalton Edgecomb as Chief Transformation Officer of the Debtors (the “CTO”). [D.I. 317].

5. On October 7, 2022, the Debtors filed an application (the “ASK Application”) to retain ASK LLP as special counsel to pursue avoidance actions on behalf of the Debtors. [D.I. 896].

6. On November 1, 2022, the Court entered an order authorizing the employment of ASK LLP as special counsel to pursue avoidance actions on behalf of the Debtors (the “ASK Retention Order”). [D.I. 960].

7. On April 17, 2023, an order was entered by the Court converting the Debtors’ chapter 11 cases to cases under chapter 7 (the “Conversion Order”). [D.I. 1352].

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<sup>2</sup> All docket items referenced are from Case No. 22-10426, under which the Debtors’ bankruptcy cases are jointly administered.

**Collections Realized And Fees Earned**

8. ASK collected \$760,837.21 in cash on behalf of the estate, including ASK's fees in the amount of \$178,059.46 and expenses in the amount of \$48,529.46.

9. The aggregate sum of legal fees [contingency fees plus reimbursable expenses] was \$226,588.92. Divided by the one hundred and two (102) potential preference claims settled, resolved, and/or abandoned, ASK's average legal fee per adversary was approximately \$2,221.46 per case.

10. ASK handled all functions related to the analysis, pre-suit and suit collection work, litigation, and administration of the preference claims. It performed an extensive preference analysis that incorporated a baseline historical analysis as to each preference defendant.

11. The following information is provided pursuant to Paragraph 9 of the Conversion Order:

a. Total amount ASK has been paid to date: \$148,821.96 fees; (b) \$39,893.82 expenses.

b. Any remaining retainer amount held by ASK: n/a, did not require retainer.

c. Any amounts held in a reserve for purposes of paying professional fees: as of the Conversion Date, ASK held \$118,000 in cash, consisting of \$80,126.86 in recoveries payable to the Debtors estate; \$29,237.50 in fees due to ASK, and \$8,635.64 in costs due to ASK. ASK is awaiting instructions on the appropriate account to which to transmit the Debtor funds going forward, and has held its remaining fees and expenses in trust.

d. The remaining amount outstanding: \$37,873.14.

**Compliance With Office Of the United States Trustee Guidelines**

12. ASK was retained on a fixed and contingency fee basis. Specifically, pursuant to the ASK Retention Application and ASK Retention Order, ASK was retained solely on a fixed and contingency fee basis of 17.5% for all gross collections obtained on cases settled prior to the filing of a Complaint and 25% for any cases settled after filing of a Complaint. For these reasons there is no billing summary, or detailed invoice for its services. ASK is simply asking for an Order approving the final fees paid to it that have already been authorized by the retention Order entered on November 1, 2022.

**Actual and Necessary Expenses**

13. A summary of actual and necessary expenses incurred by ASK for the Final Fee Period is attached hereto as Exhibit “A”. ASK currently charges all of its bankruptcy clients \$.10 per page for photocopying expenses. In addition, ASK utilizes outside copier services for high-volume projects, and this Application seeks the recovery of those costs, if applicable. ASK also charges all of its clients \$.50 per page for outgoing facsimile transactions. Online legal research (Westlaw) is charged to clients at ASK’s discounted cost. The standard cost of Westlaw research sessions is discounted each month by allocating the savings realized during that month pursuant to special contracts ASK has negotiated with Westlaw.

14. ASK believes the foregoing rates are the market rates that the majority of law firms charge clients for such services. In addition, ASK believes that such charges are in accordance with the American Bar Association’s (“ABA”) guidelines, as set forth in the ABA’s Statement of Principles, dated January 12, 1995, regarding billing for disbursements and other charges.

**FINAL APPROVAL OF THIS APPLICATION IS  
REASONABLE AND APPROPRIATE AT THIS TIME**

WHEREFORE, ASK respectfully requests that the Court enter an Order attached hereto as Exhibit “B” providing for the final approval of ASK’s final fees is the sum of \$178,059.46 and final expenses in the sum of \$48,529.46 for a total of \$226,588.92 for the Final Fee Period and for such other and further relief as this court may deem just and proper.

**ASK LLP**

Dated: May 17, 2023

*/s/ Kara E. Casteel*

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*Counsel for the Official Committee  
of Unsecured Creditors*

**CERTIFICATION**

I, Kara E. Casteel., verifies as follows:

- a) I am a partner with the applicant firm, ASK LLP.
- b) I have personally performed many of the legal services rendered by ASK LLP, as special contingency-fee counsel to Counsel for the Official Committee of Unsecured Creditors and am thoroughly familiar with the other work performed on behalf of Counsel for the Official Committee of Unsecured Creditors by the professionals in the firm.
- c) I have reviewed the foregoing Final Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed Local Rule 2016-2, and submit that the Application substantially complies with such Local Rule.

Dated: May 17, 2023

/s/ Kara E. Casteel

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